

Fair Political Practices Commission

Memorandum

To: Chairman Getman, Commissioners Downey, Knox, Scott and Swanson
From: Mark Krausse, Government Relations Director
Subject: Legislative Report
Date: June 26, 2001

Action Items— The Commission's action may be requested on the following items:

1. Consider whether to take positions on the following bills:

AB 690 Wesson Telephone advocacy 5/29/2001
Provides that a candidate, committee or other organization may not expend campaign funds to pay for 1,000 or more similar telephone calls to support or oppose a candidate or ballot measure unless the name of the organization that authorized or paid for the call is disclosed during the course of each call. Phone calls made by a candidate, campaign manager or volunteer are excluded. The bill is an urgency statute to take effect upon the Governor's signature. **Senate Elections and Reapportionment Committee. Set for hearing: July 11, 2001.**

SB 3 Brulte Telephone Advocacy 5/22/2001
Prohibits a candidate, committee or slate mail organization from using campaign funds to pay for telephone calls to support or oppose a candidate or ballot measure unless the call announces that it was paid for or furnished by the candidate, committee or slate mail organization. Phone calls made by a candidate, campaign manager or volunteer are excluded. Also amends the definition of "mass mailing" to provide greater specificity and expressly include hand delivered items. The bill is an urgency statute and, if enacted, would take effect immediately. **Assembly Elections Committee. Set for hearing: July 3, 2001.**

SB 34 Burton Proposition 34 6/28/2001
This bill makes several clean-up changes suggested by the Commission and also several substantive changes to Proposition 34. The bill was recently amended to add the Commission-sponsored ballot spokesperson language and to clarify that political parties must comply with all the online reporting requirements of Chapter 4.6 (in addition to the disclosure provisions of Chapter 4) when making payments for member communications. **Assembly Floor.**

Informational Item— Bills Amending the PRA

<u>Bill No.</u>	<u>Author</u>	<u>Title</u>	<u>(Intro)/Amend</u>
AB 2	Alquist	Independent Issue Advocacy	5/24/2001
Requires online disclosure within 48 hours of any person making a payment or promise of payment of \$5,000 or more for an issue advocacy communication that clearly identifies a legislative candidate made within 45 days prior to an election. Senate Elections and Reapportionment Committee. Set for hearing: July 11, 2001.			

LEGISLATIVE REPORT

Informational Item— Bills Amending the PRA (continued)

<u>Bill No.</u>	<u>Author</u>	<u>Title</u>	<u>(Intro)/Amend</u>
AB 190	Longville	Public financing of campaigns	4/26/2001
Repeals Section 85300 of the Act, the ban on public funding of candidates and creates a new system for publicly funded legislative campaigns. In Assembly Elections Committee (2-year bill).			
AB 374	Matthews	Slate mailers: peace officer or firefighter organizations	5/23/2001
Requires a slate mailer that purports to represent the position of a peace officer or firefighter organization to include the number of members the organization has statewide and in the counties in which the mailer is sent. Also replaces with asterisks ("****") the dollar signs ("\$\$\$") required by Prop 208 to be printed next to the name of any candidate or measure paying to appear in a mailer. Inactive File (2-year bill).			
AB 693	Longville	Personal loans (spot bill)	(2/22/2001)
Changes the threshold for banned personal loans from \$500 to \$300. Assembly Elections (2-year bill).			
AB 696	Longville	Electronic reporting: online forms and free software	(2/22/2001)
This bill requires the Secretary of State to provide free online forms and software for electronically filing the lobbyist and campaign reports required by the Act. The bill requires that online forms be available on or before April 15, 2002, for lobbyist report filers, and July 1, 2002, for campaign filers. It requires that free software be available by December 1, 2002. Finally, the bill extends by one year, to June 1, 2002, the deadline for a report on the implementation and development of online and electronic filing, and adds a new report due no later than January 31, 2003. Senate Elections and Reapportionment Committee. Set for hearing: July 11, 2001.			
AB 1053	Papan	Non-substantive spot bill	(2/23/2001)
This bill makes non-substantive changes to the Act and is a placeholder measure. In print; awaiting Rules assignment (2-year bill).			
AB 1236	Jackson	Ballot measure and candidate ad disclosures	(2/23/2001)
This bill repeals Article 5 of Chapter 4 and enacts a similar scheme regulating state ballot measure advertisements. (Note that the previous sections regulate all measures—state and local.) In addition, the bill amends the Elections Code to require an initiative petition to indicate on its face whether it is circulated by a paid signature gatherer or a volunteer, and to disclose the campaign's major contributors. The bill requires the ballot pamphlet to identify initiatives that were qualified by volunteers. Assembly Elections Committee (2-year bill).			
AB 1325	Negrette	Lobbyists: Public Utilities Commission	6/18/2001
Expands the definition of payments to influence legislative or administrative action to include payments for the purpose of influencing a ratemaking or quasi-legislative proceeding before the PUC. Senate Elections and Reapportionment Committee. Set for hearing: July 11, 2001.			

LEGISLATIVE REPORT

Informational Item— Bills Amending the PRA (continued)

<u>Bill No.</u>	<u>Author</u>	<u>Title</u>	<u>(Intro)/Amend</u>
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SB 157	Haynes	Campaign contributions: arbitration	4/16/2001
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This bill prohibits an elected state officer from submitting to binding arbitration a lawsuit against the state or a state agency if the officer has received a contribution of \$250 or more within the preceding 12 months from a party to the lawsuit, the party's attorney or agent. Also prohibits a public official from taking a contribution in excess of \$250 after taking part in certain decisions. **In Senate Elections Committee (2-year bill).**

SB 386	Johnson	Electronic disclosure	3/29/2001
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This bill requires the Secretary of State, in rejecting an online or electronic filing, to notify the filer by electronic mail of the reason(s) for rejection using plain, straightforward language and avoiding technical terms, so that the meaning will be easily understood. **Set for hearing in Assembly Appropriations Committee on June 27, 2001.**

Informational Item—Elections Code Bills and Others Not Amending the PRA

<u>Bill No.</u>	<u>Author</u>	<u>Title</u>	<u>(Intro)/Amend</u>
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AB 931	Frommer	Gift limitations: Insurance Commissioner	5/1/2001
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This bill limits to \$1,000 per source the aggregate amount of travel payments that the Insurance Commissioner may receive from a regulated entity or representative of a regulated entity. The bill was amended out of the Act on 4/16/01 and its provisions moved to the Insurance Code. **Senate Elections Committee. Set for hearing: July 3, 2001.**

SB 412	Vasco.	Misleading domain names	5/8/2001
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Makes it a misdemeanor for a candidate, committee, or proponent or opponent of an initiative or referendum measure to deliberately register a domain name for the purpose of directing a person away from the website of that competing candidate or measure, or for the purpose of preventing the competing candidate or measure from acquiring a desired domain. **Assembly Elections Committee. Set for hearing: July 3, 2001.**

SB 798	Speier	Gift limitations: Insurance Commissioner	5/1/2001
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This bill prohibits those regulated by the Insurance Commissioner and their representatives from making a contribution or gift to the Insurance Commissioner or a candidate for Insurance Commissioner. It excludes employees of regulated entities who make gifts or contributions from their personal funds. The bill also prohibits any attorney or law firm under contract or bidding on or under consideration for a contract to represent the Department of Insurance or the Insurance Commissioner from making any contribution or gift. This bill amends the Insurance Code and does not modify the Political Reform Act. **Assembly Elections Committee. Set for hearing: July 3, 2001.**